

EXHIBIT A

TO REGISTRATION STATEMENT

Under the Foreign Agents Registration Act of 1938, as amended

MAR 9 10 40 AM '81

REGISTRATION UNIT
CRIMINAL DIVISION

Furnish this exhibit for EACH foreign principal listed in an initial statement
and for EACH additional foreign principal acquired subsequently.

| | | |
|--|--|------------------------------------|
| 1. Name and address of registrant Ruder & Finn Incorporated 110 East 59th Street New York, New York, 10022 | | 2. Registration No. 1481 |
| 3. Name of foreign principal Alcantara Machado Comercio e Empreendimentos Lda. | 4. Principal address of foreign principal Rua Brasilia Machado, 60 Sao Paulo, Brasil | |

5. Indicate whether your foreign principal is one of the following type:

☐ Foreign government

☐ Foreign political party

☐ Foreign or ☐ domestic organization: If either, check one of the following:

☐ Partnership

☐ Committee

☒ Corporation

☐ Voluntary group

☐ Association

☐ Other (specify) _____

☐ Individual - State his nationality _____

6. If the foreign principal is a foreign government, state:

a) Branch or agency represented by the registrant.

NOT APPLICABLE

b) Name and title of official with whom registrant deals.

7. If the foreign principal is a foreign political party, state:

a) Principal address

NOT APPLICABLE

b) Name and title of official with whom the registrant deals.

c) Principal aim

8. If the foreign principal is not a foreign government or a foreign political party,

a) State the nature of the business or activity of this foreign principal

Brasillian Public Relations Firm

b) Is this foreign principal

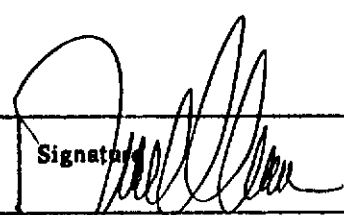
- Owned by a foreign government, foreign political party, or other foreign principal Yes ☐ No ☒
- Directed by a foreign government, foreign political party, or other foreign principal . . . Yes ☐ No ☒
- Controlled by a foreign government, foreign political party, or other foreign principal . . Yes ☐ No ☒
- Financed by a foreign government, foreign political party, or other foreign principal . . . Yes ☐ No ☒
- Subsidized in whole by a foreign government, foreign political party, or other foreign principal Yes ☐ No ☒
- Subsidized in part by a foreign government, foreign political party, or other foreign principal Yes ☐ No ☒

9. Explain fully all items answered "Yes" in Item 8(b). (If additional space is needed, a full insert page may be used.)

NOT APPLICABLE

10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

Mr. Caio Alcantara Machado
Rua Frasilis Machado, 60
Sao Paulo, Brazil

| | | |
|------------------------------|---|---|
| Date of Exhibit A 2/27/81 | Name and Title Norman Weissman President-R&F/NY | Signature  |
|------------------------------|---|---|

UNITED STATES DEPARTMENT OF JUSTICE
Washington, D.C. 20530

EXHIBIT B

TO REGISTRATION STATEMENT
Under the Foreign Agents Registration Act
of 1938, as amended

RECEIVED
NATIONAL DEPARTMENT OF JUSTICE
Approval Expires Oct. 31, 1981
MAR 9 10 40 AM '81
REGISTRATION UNIT
CRIMINAL DIVISION

INSTRUCTIONS: A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements; or, where no contract exists, a full statement of all the circumstances, by reason of which the registrant is acting as an agent of a foreign principal. This form shall be filed in duplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

| Name of Registrant | Name of Foreign Principal |
|--------------------------------------|--|
| Ruder & Finn Incorporated | Alcantara Machado Comercio E Empreendimentos, Ltda. |

Check Appropriate Boxes:

- ☐ The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach two copies of the contract to this exhibit.
- ☐ There is no formal written contract between the registrant and foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach two copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
- ☒ The agreement or understanding between the registrant and foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and the expenses, if any, to be received.
Please see copy of letter previously submitted to the Dept. of Justice on January 9, 1981 -- through item #7 -- as well as copy of invoice submitted for services rendered.
4. Describe fully the nature and method of performance of the above indicated agreement or understanding.

Please see copy of Research Proposal for Embrater submitted to Alcantara Machado Comercio e Empreendimentos, Ltda., already on file with the Department of Justice as of January 9, 1981.

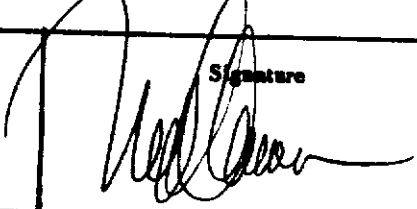
5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

A research study was conducted locally on behalf of Alcantara Machado, a Brazilian public relations firm, for one of their local clients, Embratur. The study was of the American market on travel to specific areas of Brazil, as well as a possible program which would implement the findings of the study.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?^{1/} Yes ☐ No ☒

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

Please note second paragraph of letter dated 2/16/81 from the Dept. of Justice, copy attached, for reasons why the study might be construed as political propaganda.

| Date of Exhibit B | Name and Title | Signature |
|-------------------|--------------------------------------|--|
| 2/27/81 | Norman Weissman President- R&F/NY |  |

^{1/} Political activity as defined in Section 1(o) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

RECEIVED
DEPARTMENT OF JUSTICE

MAR 9 10 40 AM '81

RUDER & FINN

January 9, 1981

REGISTRATION UNIT
CRIMINAL DIVISION

Mr. Joel Lisker, Chief
Registration Unit
Internal Security Section
Criminal Division
DEPARTMENT OF JUSTICE
Washington, D.C. 20530

Dear Mr. Lisker:

Re: Registration # 1481

We undertook a research project to be conducted locally on behalf of Alcantara Machado Comercio e Empreendimentos, Ltda., a Brazilian public relations firm, for one of their local clients Embratur; with the understanding that an official contract was forthcoming. We awaited the arrival of this contract before submitting registration forms to the Department of Justice.

We agreed to do the following on their behalf:

- 1) A research study of the American market on travel to specific areas of Brazil, as well as a possible program which would implement the findings of our research study.
- 2) That Ruder & Finn would proceed immediately on the study and program proposal, since the research and its findings was needed "yesterday" despite the fact that there was no formal contract; but that it would be received by Ruder & Finn within 20-30 days.
- 3) First of all, we explained that our work during the first 20-30 days (during which we were working on without a contract) would be on the preparation of the questionnaire, the interview plan, the training of interviewers and the testing of the questionnaire. I told them that we would do this because (a) it would move the project forward even without a contract, (b) it would be less labor intensive and hence less costly than the operational phase, and (c) that August was a poor month for interviewing because of vacations. They agreed.
- 4) We had to finish the entire report on the research sometime in November.
- 5) Ruder & Finn would be researching what is known as Northern and Northeastern Brazil as well as Brazil in general. In the North, there is the Amazon River and some interesting places which are being built as tourist complexes.

- 6) We were to define from a U.S. population sample the following:
- a) Markets
 - b) Spending power
 - c) Attitude towards Brazil as a tourist destination
 - d) Preferences -- travel alone, on business, with group
 - e) Length of stay
 - f) How much they would spend?
 - g) Price elasticity
- 7) They were also interested in the travel trade attitude towards Brazil.
- a) Wholesalers. There are 40 who do business with Brazil
 - b) Retailers -- Travel Agents. There are 10,000 of the 33,000 who do business with the 40 wholesalers

Unfortunately, we never received the official contract from Alcantara Machado as promised, although we completed and forwarded the study, based on their verbal "urgency". Enclosed, for your information, are copies of the original proposal, as well as a copy of our finished study and program suggestions.

However, it occurred to us that there was a possibility that because we were sub-contracted, we could claim an exemption from registration under Section 3 of the Act -- Rule 304 Sections 3 (d) and (e) of the Act., as follows:

- (a) As used in Section 3 (d), the term "trade or commerce" shall include the exchange, transfer, purchase or sale of commodities, services or property of any kind.
- (b) For the purpose of Section 3 (d) of the Act activities of an agent of a foreign principal as defined in Section 1 (c) of the Act in furtherance of the bona fide trade or commerce of such foreign principal is owned or controlled by a foreign government so long as the activities do not directly promote the public or political interests of the foreign government.

As our work had to do with the attitudes locally towards travel to Brazil and not directly with the people of Brazil we thought we might qualify for exemption.

I would appreciate your reviewing this case and advising us if we qualify for this exemption as sub-contractors, because the likelihood of a contract now, which would enable us to register, is almost extinct. I am attaching copies of everything we've done.

Very truly yours,


Norman Weissman



RUDER & FINN
INCORPORATED

Caio De Alcantara Machado
Alcantara Machado Comercio
e Empreendimentos Ltda
Rua Brasílio Machado, 60
Sao Paulo, Brazil

Invoice 511923
November 19, 1980

INVOICE

For services rendered by Ruder & Finn and Research & Forecasts
(a wholly owned Ruder & Finn subsidiary) on October 8 through
November 20, 1980.....

\$103,400.00

Services Rendered

- Review of existing literature in travel research field
- Questionnaire and sample construction for Phase One (interviews with Tour Operators)
- Phase One questionnaire pretesting
- Phase One data collection
- Key punching of Phase One data
- Analysis of Phase One data
- Preliminary report on Phase One interviews
- Questionnaire and sample construction for Phase Two (interviews with Travel Agents)
- Pretesting of Phase Two questionnaire
- Data collection for Phase Two
- Key punching of Phase Two data
- Analysis of Phase Two data
- Questionnaire construction and sample purchase for Phase Three (interviews with American International Pleasure Travelers and Americans who have traveled to Brazil)
- Pretesting of Phase Three questionnaire
- Data collection for Phase Three
- Key punching of Phase Three data
- Analysis of Phase Three data
- Public Relations Program development
- Report preparation

RESEARCH PROPOSAL FOR EMBRATUR

Here is a skeletal description and a budget for the proposed Embratur project:

CONCEPT

The study would survey travel agents, tour operators, travel planners at social and fraternal organizations, and a representative national sample of high school and college students. The survey would be designed to discover what attitudes these key groups hold toward Brazilian travel, and to reveal the factors that are most important in the formation of these attitudes.

The study would address such questions as:

- * What do they know about Brazil? From what sources have they learned what they know? From what sources do they get the bulk of their travel information? What more would they like to know about Brazil?
- * What are their perceptions of Brazil? What factors contribute to its appeal? What factors detract from its appeal?
- * How does it rank with other countries as a place they would want to go or would recommend to others? What are the reasons for its comparative ranking?

METHODOLOGY

The Basic Study

The basic study would be comprised of a survey of:

1. Travel Agents

The survey of travel agents would include both a qualitative and quantitative phase.

In the qualitative phase, there would be up to twenty interviews with top agents at leading travel agencies.

Based on these interviews, a self-administered questionnaire would be constructed and mailed to 1,500 top agents at the highest volume travel agencies in the nation.

2. Tour Operators (Wholesale)

Tour operators would also be surveyed by means of interviews and self-administered questionnaires.

Ten of the foremost tour operators would be interviewed, and a questionnaire designed on the basis of these interviews would be sent to all the tour operators in the United States.

3. Social and Fraternal Organizations

A list of 15 social and fraternal organizations of particular interest would be compiled in consultation with Embratur.

The travel planner for each of these 15 organizations would be interviewed in-depth.

4. College and High School Students

A representative national sample of college and high school students would be interviewed.

Study Options

The following are audiences which may be surveyed as a supplement to the basic study:

1. The Travel Press

Because the travel press has a strong influence on both members of the travel trade and the traveling public, it may be valuable to include either or both of the following in the survey:

a) The Trade Press

The editors of all the major national trade publications would be interviewed in-depth to provide useful insights into current

editorial interest in Brazil and how further interest might be cultivated.

b) Newspaper Travel Editors

Travel editors at the nation's ten leading newspapers would be interviewed.

Based on these interviews, a questionnaire will be designed and mailed to travel editors at the 150 widest circulation newspaper in the country.

2. Additional Social and Fraternal Organizations

Because social and fraternal organizations are key sources of potential travelers to Brazil, additional travel planners will be selected on an individual basis for interviews, or a questionnaire will be developed to be sent to a national sample of major organizations.

TIMETABLE AND COST

The study would take approximately two months to complete. It will take an additional four to six weeks to develop a public relations campaign based on the research. The total budget will be approximately \$110,000, plus expenses.

#

Washington, D.C. 20530

16 FEB 1981

Mr. Norman Weissman
Ruder & Finn, Inc.
110 East 59th Street
New York, New York 10022

Re: Registration No. 1481

Dear Mr. Weissman:

Reference is made to your letter of January 9, 1981, requesting an exemption from registration under the Foreign Agents Registration Act, in connection with your firm's relationship with Alcantara Machado Comercio e Empreendimentos, Ltda.

Based on the information contained in your letter, it is our opinion that your firm is not entitled to the exemption afforded by Section 3(d) and 3(e) of the Act. Our opinion is based on the fact that the purpose of your firm's work was to study American attitudes towards travel to Brazil, and it is our view that this activity was to directly promote the public and/or political interests of Brazil.

Exhibit A's and B's are enclosed for your firm's use in registering on behalf of this foreign principal. When these forms are filed you must describe all activities in which your firm was engaged on behalf of the principal.

Finally, if your firm has still not yet received a contract from the principal and if your firm does not anticipate engaging in any further activities on behalf of the principal, please advise us so that we may terminate the Exhibit A's and B's upon our receipt of them.

If you have any questions concerning this matter, please contact Terry J. Andolshek at (202) 724-7833. Any correspondence to this Unit should be addressed to the attention of Mr. Andolshek.

Sincerely,

Joseph E. Clarkson

Joseph E. Clarkson
Acting Chief
Registration Unit
Internal Security Section
Criminal Division

Enclosures